1903.

NEW ZEALAND.

THE LAND BALLOT SYSTEM:

REPORTS AND SUGGESTIONS BY THE SURVEYOR-GENERAL AND THE SEVERAL COMMISSIONERS OF CROWN LANDS.

Presented to both Houses of the General Assembly by Command of His Excellency.

The Right Hon. the PREMIER to the SURVEYOR-GENERAL.

SIR,— Prime Minister's Office, Wellington, 6th July, 1903.

During the time you occupied the position of Commissioner of Crown Lands you must have been struck by the inequality, unevenness, and sometimes unfairness, with which the ballot system worked, opening the door as it does to people who are well-to-do and who can find the deposits and a sufficient number of friends to put in applications, and thus by this means increase their chance of success against *bonâ fide* settlers who have not the means to find the deposits.

I want you to write to each Commissioner of Crown Lands, and ask him to submit to you suggestions for improving the present system, reducing to a minimum the inequalities now existing, and giving the *bonâ fide* settler a chance to obtain a section of land. It is my intention to give a substantial bonus to the one who solves this problem. In all probability the suggestions made will be submitted to a Parliamentary Committee.

Yours, &c.,

The Surveyor-General, Wellington. R. J. SEDDON.

The SURVEYOR-GENERAL to the Right Hon. the PREMIER.

SIR,— Department of Lands and Survey, Wellington, 9th July, 1903.

In compliance with your letter of the 6th instant, I have written to all the Commissioners of Crown Lands requesting them to forward, at earliest possible date, suggestions as the result of their experience in the administration of the present Acts relating to all classes of settlement, and to make suggestions as to the best manner in which Crown lands should be allotted in the future so as to secure *bonâ fide* settlement by those who are best qualified and entitled to be placed on the lands.

You have very correctly divined that this subject has for many years received my earnest attention, and it will afford me great pleasure to place at your disposal all information and assistance in my power. My opinion, shortly stated, is this: that the true solution will be found in setting up strong and capable boards to examine all applicants for land, and after classifying them according to their need, suitability, capability, and experience, then to allot the lands without balloting to the most deserving and suitable persons. Many years ago I advocated this method.

As soon as I have completed some important and urgent work which I have on hand at present I will go further into this matter and give it my careful consideration.

The Right Hon. the Premier. J. W. A. MARCHANT, Surveyor-General.

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AUCKLAND.

Report from G. J. MUELLER, Esq., Commissioner of Crown Lands, Auckland.

Department of Lands and Survey,
District Office, Auckland, 16th July, 1903.

REFERRING to your circular of the 9th instant, in which, by direction of the Right Hon. the Premier, you request me to give the result of my experience in connection with the ballot system now in vogue, I have to state that I attribute the present unsatisfactory state of affairs to the following causes:—

1. The doing away with the necessity of lodging a deposit when making the application for lands.

This alteration in the law was supposed to be specially favourable to the poor applicant, but experience in this district has shown that it is eminently favourable to the moneyed applicant or speculator, as he can now obtain people to make application, and thereby increase his chances of success in ballot. We have had cases here where applications in the same handwriting, and signed by different clerks and others have been lodged. Since the deposit with the application has been abolished and "agreement to pay" has been substituted the friends and relations or members of the applicant's family are, as a rule, in requisition to increase the latter's chances at the ballot by making application in this way. The applicants for favourite sections have thus been doubled and tripled, as compared with what they were when deposits had to be lodged with the applications.

2. The facilities with which transfers can be effected at present.

A dummy can transfer to his principal twelve months after he has taken up the land. During the first twelve months no residence is required. All that is needed to be done are the paltry improvements equal to only 10 per cent. on the capital value of the land. If it was tedious and difficult to effect the first transfer dummyism would not be so prevalent as it is. There would be fewer applicants for the lands, most of them *bonâ fide* applicants, and the present difficulties with the ballot would be greatly reduced.

My recommendations, therefore, by way of remedying the evils now existing are as follows:—

(1.) Amend the Land Act, and make it compulsory for every applicant to lodge the necessary deposit (half-year's rent and lease fee, as the case may be) with his application.

(2.) Amend the present occupation-with-right-of-purchase and lease-in-perpetuity forms as shown in specimens attached hereto marked "A" and "B." As the declaration now stands in section 3, the dummy with an easy conscience may feel no compunction in swearing that he has acquired such land solely for his own use or benefit, seeing his object is to obtain the promised bonus of £10 or £50 from his principal, but it will require somewhat of a "wrench of conscience" to swear that the land is acquired for "the purpose of cultivation either by or for himself."

(3.) Amend the present application-for-rural-lands-for-cash form as shown on sample attached hereto marked "C" by the insertion of an additional clause to the following effect: "That I am of the age of twenty-one and upwards." At present the age-limit is not stated on the form. By "The Land Act, 1892," it is fixed at seventeen years, but seeing that a certificate of title cannot be granted to a minor, I strongly recommend that the age be raised to twenty-one years. Several of the Australian Colonies, I may add, fix the age of cash purchasers at twenty-one, whereas the age of intending lessees or licenses is only sixteen, which is one year less than with us.

(4.) Disallow a married woman, unless living apart and judicially separated from her husband by an order of Court, to make application for land under lease or license if her husband is already a lessee or licensee of the Crown. The percentage of married-women applicants has been very large since the amendment of section 93 of the Act of 1892 by the substitution of the word "selector" for the word "owner" in the first line in the third paragraph. If the husband is to comply with the residence conditions on his holding, it is somewhat difficult to understand how his wife can comply with these conditions on her section, perhaps three or four miles from her husband's. In fact, section 93 as it now stands is contradictory, for in the first paragraph no married woman not judicially separated from her husband can be the holder of a lease or license, and in the third paragraph any married woman may become a selector—namely, purchaser, lessee, or licensee of the Crown. (See also definition of word "selector" in the interpretation clause).

(5.) Make the obtaining of permission to transfer, &c., more stringent than hitherto. To accomplish this object, I recommend that the following conditions be imposed before any selector can transfer or sublet, or in any way part with his lease, license, or certificate of occupation, or any portion thereof; and the suggested alterations and provisions should be recast and embodied in an Amendment Act to be passed this session.

(*a.*) In the case of lease or license under Part III. of "The Land Act, 1892," no transfer sublease, or subdivision should be granted before a lessee or licensee has been three years in possession or occupation, and has personally resided thereon for at least two years, and has effected substantial improvements to the value of at least 30 per cent. on the capital value of the land.

(*b.*) In the case of lands acquired for cash under Part III. of "The Land Act, 1892," no transfer, &c., to be granted before the expiration of three years from the date of purchase, nor before the improvements stipulated in section 148 of the last-named Act and in the occupation certificate have been effected. (Occupation certificate marked "D" attached for reference.)

(*c.*) In the case of a small-grazing-run lease under Part V. of "The Land Act, 1892," no transfer, &c., to be permitted until the holder thereof has been in possession of the land for at least three years, has resided thereon for at least two years, and has effected substantial improvements of a value equal to four years' rental.

(*d.*) Provided that on the death of a selector or on the happening of any extraordinary event which, in the opinion of the Land Board of the district, renders a transfer, sublease, or subdivision necessary or expedient, a transfer, &c., of a lease, license, or occupation certificate may, with the sanction of the Land Board and the Minister of Lands, be made.

(*e.*) Compliance with the residential conditions as provided in sections (*a*) and (*c*) will not be insisted upon in the case of purely bush or swamp lands during the period the lessee or licensee is freed from residential conditions under the principal Act—namely, "The Land Act, 1892."

(6.) In order to effect the proposed alteration of fixing the age of a cash purchaser at twenty-one years, section 92 of the principal Act will have to be amended as follows: After the word "selector" in the second line insert the words "for a lease or license," and in the last line of that section, after the words "by the Land Board," add the following sentence: "Applicants for cash lands shall not be less than twenty-one years of age."

In addition to the propositions made with the view of mitigating the evils connected with the present ballot system, there is still another suggestion, of a very drastic description, which involves a question of policy, and which, on that account, I do not feel at liberty to include in the above. The expedient I refer to is to give landless applicants the priority at the ballot, with proper precautions to insure that only those of the landless class who have means and ability to put the land to proper use be admitted to ballot. The proposition is quite workable, and would reduce the ballot difficulties to a minimum; but after very careful investigation of the probable result of such a provision in our Land Act I have come to the conclusion that such an extreme step may not be necessary at present, and that the recommendations made above should first be given effect to.

Dummyism will never be eradicated, do what we will, but I confidently submit that if my propositions are acted upon it will be reduced to a very large extent.

G. J. MUELLER,
Commissioner of Crown Lands.

The Surveyor-General, Wellington.

A.

Declaration on applying for a License for Occupation with Right of Purchase, under Part III. of "The Land Act, 1892."

I, , of , , do solemnly and sincerely declare—

1. That I am of the age of seventeen years and upwards.

2. That I am the person who, subject to the provisions of "The Land Act, 1892," am applying for the purchase of a license.

3. That I am acquiring such license solely for my own use and benefit, *and for the purposes of cultivation either by or for myself*, and not directly or indirectly for the use or benefit of any other person or persons whomsoever.

4. That, including the lands now applied for, I am not the owner, tenant, or occupier, directly or indirectly, either by myself or jointly with any other person or persons, of any land anywhere in the colony exceeding in the whole 2,000 acres of land, inclusive of not more than 640 acres of first-class land.

And I make this solemn declaration conscientiously believing the same to be true, and by virtue of an Act of the General Assembly of New Zealand intituled "The Justices of the Peace Act, 1882." [*Signature.*]

Declared at , this day of , 190 , before me , a Justice of the Peace in and for the Colony of New Zealand.

B.

Declaration on applying for a Lease in Perpetuity under Part III. and Part IV. of "The Land Act, 1892."

I, , of , , do solemnly and sincerely declare—

1. That I am of the age of seventeen years and upwards.

2. That I am the person who, subject to the provisions of "The Land Act, 1892," am applying for the purchase of a lease.

3. That I am acquiring such lease solely for my own use or benefit, *and for the purposes of cultivation either by or for myself*, and not directly or indirectly for the use or benefit of any other person or persons whomsoever.

4. That, including the lands now applied for, I am not the owner, tenant, or occupier, directly or indirectly, either by myself or jointly with any other person or persons, of any lands anywhere in the colony exceeding in the whole 2,000 acres of land, inclusive of not more than 640 acres of first-class land.

5. That I have not, within one year from the date hereof, surrendered a lease with perpetual right of renewal or lease in perpetuity of the lands for a lease whereof I am now applying.

And I make this solemn declaration conscientiously believing the same to be true, and by virtue of an Act of the General Assembly of New Zealand intituled "The Justices of the Peace Act, 1882." [*Signature.*]

Declared at , this day of , 190 , before me, , a Justice of the Peace in and for the Colony of New Zealand.

C.

Declaration to be made on applying for Cash Land under Part III. of "The Land Act, 1892."

I, , of , , do solemnly and sincerely declare—

1. *That I am of the age of twenty-one years and upwards.*

2. That I am the person who, subject to the provisions of "The Land Act, 1892," am applying for the purchase of the above-mentioned land solely for my own use and benefit, and not directly or indirectly for the use or benefit of any other person or persons whomsoever.

3. That, including the land now applied for, I am not the holder, directly or indirectly, either by myself or jointly with any other person, of any land anywhere in the colony exceeding in the whole 2,000 acres of land, inclusive of not more than 640 acres of first-class land.

And I make this solemn declaration conscientiously believing the same to be true, and by virtue of an Act of the General Assembly of New Zealand intituled "The Justices of the Peace Act, 1882." [*Signature.*]

Declared at , this , day of , 190 , before me, , a Justice of the Peace in and for the Colony of New Zealand.

D.

Certificate of Occupation to Purchaser of Land.

WHEREAS , of , , has purchased for cash the land delineated on the plan or sketch in the margin hereof, and has duly paid for the same:

Now know all men that, in pursuance of the powers vested in me as Commissioner of Crown Lands, I hereby authorise and empower the said , his heirs or assigns, at any time after the date hereof, to enter upon all that Allotment numbered , Block , District, delineated as aforesaid, and to hold and enjoy the same for his and their absolute use and benefit, subject, nevertheless, to the right of the Land Board to be satisfied that the purchaser has put upon the said land *substantial improvements of a character to the value of twenty shillings per acre if first-class land, or ten shillings per acre if second-class land.*

Dated at , this day of , 190 .

Commissioner of Crown Lands.

HAWKE'S BAY.

Report from E. C. GOLD SMITH, Esq., Commissioner of Crown Lands, Hawke's Bay.

Department of Lands and Survey,
District Office, Napier, 14th July, 1903.

SIR,—

I have the honour to acknowledge the receipt of your circular of the 9th instant, with copy of the Right Hon. the Premier's letter attached.

The question to be solved is a very difficult one, and will have to be considered under two headings—viz., "land for settlements," and the settlement of ordinary Crown lands under the "optional" and other systems—for it is only on land for settlements that a deposit is now required, so that it is only under that system that the advantage of capital comes in, a person with capital being able to put in a number of friends, as mentioned in the Right Hon. the Premier's letter, to the disadvantage of the *bonâ fide* settler of small means.

Generally, except where the land is situated near a town where a settler can obtain employment, and the estate is cut up into small sections, this class of settlement is not suitable for a man without means or of small means; he should rather go into the back country, where the land is cheaper, and where by his own labour he can make a home for himself, the advantages being cheap land, timber for building, &c., for all of which he has to pay on improved lands, on lands under Land for Settlements Act.

The way to stop speculation, in my opinion, is by regulating transfers and enforcing strict residence, and giving Land Boards full power to reject applications which on the face of them show that they are a speculation.

Under the present Act the sections can be transferred after five years, and before (on good reasons being given) on the recommendation of the Land Board and the approval of the Hon. the Minister of Lands. Five years is not sufficient, and should be extended to, say, ten years, if it is thought necessary to have any period. It might be better to have no right of transfer at any fixed period, a selector only being allowed to transfer on showing sufficient reason for so doing, and that no profit was made by the transaction.

Residence is supposed to commence at once, but, for various reasons, selectors get out of it for some time. It is true that the Land Boards should see that the residence conditions are carried out; but it is not always done, and should be enforced.

Land Boards should have full power to reject any applications which they think, or can obtain evidence to show, are only taken up on speculation. In all settlements in this district I find that there are a few favourite sections for which we have a number of applications from local people to the possible exclusion of the *bonâ fide* settler. We have applications for these favourite sections from bank-managers, land agents, clerks, &c., and their wives, which, it is certain, are only put in for speculative purposes, and they swamp out the *bonâ fide* applications. The power of Land Boards should be extended so that they could throw out these speculative applications.

Other considerations in the way of reform might be in amending the 3rd clause of the declaration—viz., "That I am acquiring such lease solely for my own use and benefit, and not directly or indirectly for the use or benefit of any other person or persons whomsoever." The word "benefit" should be taken out, and it should read, "for my own use and for *bonâ fide* occupation." At present people take up land, hold it for a few years, and sell at a good profit, stating that they only took it as a speculation and that their declaration was correct, for if they make a few hundreds on it, it is for their benefit, as stated in the declaration. The word "benefit" is too general, and should not be in the declaration.

Another disadvantage to the *bonâ fide* applicant is what may be called family dummyism. In the Land for Settlements applications amount of capital has to be stated. We find a husband applies and states his capital; he then puts in his wife and family—all on the same capital. Three brothers apply for a section all on the same capital. An instance in Argyll: Three brothers applied for a section, each giving his capital at about £1,500. When asked if they each had £1,500, as stated in their declaration, they said "No," but that they had £1,500 between them. If they are allowed to put these applications in they have three chances as against one from a *bonâ fide* settler with a capital of £1,500. The form should be amended so that applicants should show their individual capital, and this family dummyism should be stopped. People who own too much land to apply themselves put in their daughters, who have no capital, but they put down, say, £1,000. They might put any amount, it not being the daughter's capital, she only being a dummy for her father. An amendment is necessary so that the capital shown on application must be the actual capital of the applicant. A common thing to put on these applications from a married woman is, "Husband will assist." This should not be accepted if she has no capital of her own. She should not be allowed to apply, it not being fair to *bonâ fide* applicants with capital.

I consider that the present system of grouping sections is not to the advantage of the *bonâ fide* selector, and I do not think that it prevents speculation. It is rather more favourable to the speculator, for he does not much care which section he obtains; but the *bonâ fide* settler would rather be certain of obtaining a section he considered within his means, and therefore does not apply, fearing that he may get a section which does not suit him. If grouping is continued, applicants should be allowed to apply in more than one group, up to the maximum area allowed by the Act, otherwise, where you have a number of groups with only a few sections in each and a number of applicants for the group, the chance of obtaining a section on only one application is small. Generally, applicants object to the new system of grouping, the principal cause of dissatisfaction being Regulations Nos. 8 (subclause 4) and 10 (subclause 1). Under these clauses an applicant may have to take any section in a group in which he makes an application, and on account of this numbers who would make good settlers do not apply. It is true that clause 8 gives power to the Board to use its discretion in the matter, and we have done so, or there would have been more general dissatisfaction; but this regulation provides that there shall not be any right to withdraw any application or right to claim a refund of any deposit; but what applicants ask is what the Board would consider *bonâ fide* grounds for withdrawal. As there is nothing in the Act to define it, applicants have to depend on the judgment of the Board.

Generally, people like to have a fair chance of obtaining sections they may fancy, and not be liable to have sections forced upon them which they do not consider suitable. I know from experience that the system of grouping keeps those who would make good settlers out, and I would recommend that it be amended and that sections should be put up under Land for Settlements in the usual way, so that applicants could apply for any sections up to the limitation of the Act, but only hold one section, and, if more than one application is received, that a ballot be taken in which all the applications for the section would be included. This, I think, would give general satisfaction, and would be an advantage to the *bonâ fide* settler.

To summarise the above suggestions for preventing speculation and assisting *bonâ fide* applicants for land under the Land for Settlements Act, we have—

1. Amendment as to transfers.
2. Amendment as to *bonâ fide* residence.
3. Extended power to Land Boards to reject speculative applications.
4. Amendment of the 3rd clause of the declaration.
5. Provision to avoid family dummyism.
6. Grouping to be abandoned and sections put up under ordinary conditions.

Lands taken up under the optional and other systems of the Land Act come under different conditions than those under the Land for Settlements Act, no deposit being made with applications, and the residence conditions being different, &c.; but some of the amendments suggested will apply to all Acts—viz., amendments as to transfers, *bonâ fide* residence, extended power of Land Boards to reject speculative applications, and amendment of the 3rd clause of declaration.

The residence conditions are that, except on land purchased for cash, residence shall commence on bush lands or on swamp lands within four years and in open or partly open land within

one year from date of selection. This was made, I suppose, in the interests of *bonâ fide* settlers; but I am of opinion that it is rather in favour of speculation. Four years is too long to dispense with residence. A *bonâ fide* settler would reside on his section at once, or as soon as possible; but this period of four years enables speculators to take up the land, improve it, and sell it before the expiration of the four years; and I think that it would be to the interest of *bonâ fide* settlement if this period for residence was reduced to, say, two years on bush land, or it might be better if only one year was allowed, for the Board could extend the time on sufficient grounds being shown.

There is one ground of complaint *re* the ballot, and that is that a man may ballot for a number of years, and if not lucky enough to draw a section his time inspecting blocks and expense of travelling is thrown away. I do not think there is much in this, because in nearly all our blocks there are a number of sections not disposed of at ballot, which an unsuccessful applicant can apply for; but he probably will only apply for the fancy sections, and will not take others. If there is anything in such complaint, it might be got over by having portion of a block sold by auction, say, a day after the ballot. In this case, half a block, or any portion decided on, would be open for selection in the usual way, and the remainder sold by auction, the price bid being annual rental. This would give disappointed applicants a chance of getting a section.

Generally, I have found that the present land laws, with the exception of the grouping of sections, work satisfactorily. It is difficult to prevent speculation and dummyism, but I think the amendments I suggest will check them to a large extent.

I have, &c.,

ERIC C. GOLD SMITH,

The Surveyor-General, Wellington. Commissioner of Crown Lands.

TARANAKI.

Report from JAMES MACKENZIE, Esq., Commissioner of Crown Lands, Taranaki.

Department of Lands and Survey,

District Office, New Plymouth, 30th July, 1903.

I HAVE the honour to acknowledge the receipt of your circular of the 9th instant, and, in reply, have to state that, in my opinion, the real cure for abuses of the ballot is simply that the Land Board should have discretionary power in the selection of applicants; and, as an instance of this, in a ballot held in New Plymouth, just before I came here, for eight sections of good land near Uruti 2,142 applications were put in, and amongst these there were probably not more than eighty *bonâ fide* settlers. The result was that all the sections except one were not allotted to best advantage.

All I can do now is to endeavour to block transfers until residence has been complied with; failing which, to forfeit. But as the law stands at present, even after forfeiture, the chances are that the same trouble will repeat itself.

Regarding the family combinations referred to by the Right Hon. the Premier, these in practice are of two classes. First, the real speculative one, where the rich man on account of unlimited means secures a section and subsequently transfers to a man who starts on his holding with a handicap that he may take with him to his grave and leave as a legacy to his widow. I have met this class of men in Taranaki in real life, but, as a rule, here the Board are ready for him. The other case of family combination, although wrong, is forced on the poorer man by circumstances and the state of the law. A working-man's family want a section; they know well that their only chance is to have as many balls in the ballot-box as their limited means will allow, and father, mother, boys, and girls go in for it, caring not who gets it, so long as one does, for they know that they get a home and a start in life. But the difference between this case and the other is that it is wanted, at any rate, for *bonâ fide* settlement, and the family, if successful, go straight on the land.

It is a means probably that would never be resorted to if the Land Board could examine applicants, for no Board worth its salt would allow a barrister, a city merchant, or a doctor, earning their money in quite a different round of life, to go in the ballot as against a farmer or a bushman; but, as I have said, as the law stands just now the former class can go in by the score, and they have the means to do so, whilst the poorer man is often unable, and he goes on from ballot to ballot, and in the end gets disgusted, and either abandons settlement altogether or buys as a transferee.

Of course, it may be held that section 60 of "The Land Act, 1892," gives the Land Board power to refuse applications; but I think in practice this is seldom applied against the individual, it being looked upon more in the light of a power if for some good reason it is undesirable to part with the land included in any application.

I am therefore of opinion that the ballot, as a ballot, is perfectly fair, but the Board requires power similar—but stronger—to what is given under "The Land for Settlements Act, 1900," to say who are eligible to go into the ballot; and it should be left entirely to the Board's discretion to make the selection among the applicants, and from such decision there should be no appeal.

It might be desirable to procure power to make a special regulation defining the lines on which the selection should be made, such as setting out that persons landless, or unsuccessful at previous ballots, or persons already employed in back districts, or persons accustomed to a country or farming life and likely to make good settlers should have a preference over others; as also restrictions against the members of one family applying for more than one section. I would, however, prefer leaving the whole matter to the discretion of the Land Board.

JAMES MACKENZIE,

The Surveyor-General, Wellington. Commissioner of Crown Lands.

WELLINGTON.

Report from JOHN STRAUCHON, Esq., Commissioner of Crown Lands, Wellington.

Department of Lands and Survey,
District Office, Wellington, 24th July, 1903.

I HAVE the honour to acknowledge the receipt of your memorandum of the 9th instant, covering a memorandum from the Right Hon. the Premier of the 6th idem, with reference to suggestions required for improving the system of application and ballot for Crown lands. I regret that my absence from town when your circular arrived and pressure of other work since prevented my replying sooner.

Before definitely dealing with the questions leading up to the ballot, I preface my remarks with a short review of the following systems of selecting Crown lands, and my opinion of their suitability, or otherwise, to the requirements of our classes of settlement:—

Methods of selecting and disposing of Crown Lands.

1. Applicants taking personal possession of the land at a specified time.
2. Priority of application in the sale-room.
3. Allotment to special-settlement associations.
4. By auction between applicants.
5. By tender.
6. Duplicate applications lodged during the same day.

1. *Applicants taking Personal Possession of Sections, &c.*—This system, which I understand is adopted in the United States in some instances, would, I presume, be worked roughly as follows: A certain block of land would be laid out for settlement in this manner. At a given time applicants for land in the block so laid out would be permitted to go on to the ground and take possession of the particular sections they wished to select somewhat in the same manner as miners peg out their mining claims. I do not think this system would be suitable for settlement of the limited area of Crown lands remaining in New Zealand, especially of the bush lands; but in any case, if adopted, consideration should be given as to whether the land should be open to every one, or if some measures should not be taken to insure that applicants were suitable persons, and were possessed of sufficient capital and experience to select and occupy the lands in a satisfactory manner. This could be done by providing that all applicants should present themselves before a board at a given place and date, before the day of selection, for examination. It would be necessary for the board to sit as close to the blocks as possible, to avoid expense to the applicants.

By the introduction of these suggestions speculation by unsuitable persons would be checked, and selectors would practically be compelled to inspect beforehand the sections they wished to select, also the allotment of the sections would be practically automatic, and the successful applicant would necessarily be one who had satisfied the board that he is capable, and able, by physical health, &c., to take up the land and work it in a satisfactory manner. In any case, however, as already stated, I do not think the system a suitable one for this colony.

2. *Priority of Application in the Sale-room.*—This system would mean that the applicant who first got his application lodged and recorded in the Land Board sale-room between given hours would get the section he applied for. This would result in some cases in the approaches to the sale-room being blocked for some time previous to the hour of opening, and an unseemly scramble would result, in which the biggest and strongest person would probably have the advantage. The remarks as to applying certain restrictions as to suitability, &c., mentioned above in No. 1, would apply equally well to this heading; and, if this were done, the number of applicants would be reduced to a considerable extent.

3. *Allotment to Special-settlement Associations.*—Under this heading blocks of land have in the past been allotted to associations formed in terms of special regulations made under Part IV. of "The Land Act, 1892," and previously under Part V. of "The Land Act, 1885." These regulations prescribed, *inter alia*, that a certain number of persons should form themselves into an association, and obtain the Minister's consent to their selecting without competition a block of land sufficient to allow each member to have a section of an average area of 200 acres allotted to him. When this consent was obtained, the block was surveyed into sections, and a ballot was then held amongst the members for the various sections, or for order of choice. From experience of this system gained in this and the Taranaki Land District, I do not consider it a satisfactory manner of settling Crown lands. It is very doubtful whether it is advisable to allow any number of persons to band together and obtain the privilege of picking out the best blocks of land without the general public knowing or having an opportunity of participating.

4. *By Auction between Applicants.*—This method would be in favour of the man with most means, who would be able to outbid any other applicant. This could, of course, be governed to a certain extent by applying the restrictive measures outlined in No. 1 (*re* prior examination by board); but this would only remedy the evil to a certain extent, and the invariable result would be that the richest man would get the section—probably, also, at a higher price than it was worth—except in some few cases where the man without capital would be led on to purchase a section at a price far above his means. In both these instances dissatisfaction with the prices would be found in the future, and attempts would be made to obtain revision of capital values.

5. *By Tender.*—The remarks outlined in No. 4 apply almost with equal force to this system, except that each applicant would be in ignorance as to whether the section was being applied for by others, and what prices were likely to be offered for it. The result, however, would invariably be that the wealthiest man would obtain the section, as the person with small means would only

tender the upset price, or a little over, as he would feel that he would have to act cautiously, except in certain cases, where, being very anxious to secure the section, he would tender much above its real value. The remarks as to attempts being made to obtain revision of capital values also apply to this system, only with more force, as the applicant could plead that he made mistakes, &c., in arriving at the cash value, and had nothing to guide him as he would have in open bidding at auction.

6. *Applications lodged during the Same Day* (the present system).—In this case all applications received during the hours the sale-room is open to the public on any one day have equal chances, and all applications for the same section are decided by ballot. Some of the results have been that the sections often fall to unsuitable persons, such as merchants, solicitors, and others in permanent occupation in cities, unmarried women, single men who rove all over the colony looking for work and who evade settling down on the land and making it their home; persons with too limited capital to work the section profitably; and, in short, the great army of persons who take up land as a pure speculation, and with no intention of occupying it in a *bonâ fide* manner, but hope to make a few pounds out of it at a future time by transferring to some one who, through necessity or otherwise, is willing to pay a high price for it. In addition to these are married women whose husbands have permanent occupation or other land, and are themselves ineligible. These persons put in applications ostensibly for themselves, but really for the benefit of some relative or other person who is perhaps himself ineligible, or who wishes to increase his chances, and in whose interest they hold and with whose money they improve the land for a time, relying upon getting a transfer to him at a future date, usually just before the residential conditions of the lease come into force. In this way a *bonâ fide* farmer is often prevented from obtaining land, and is penalised by having to purchase it afterwards by transfer at a considerable profit, which is, as a rule, far more than the value of the work done on the section warrants.

Restrictions somewhat in the form mentioned in No. 1, or more fully elaborated hereafter, would to a great extent remedy this state of things, and tend to confine the applications to persons desirous of taking up Crown Lands with a *bonâ fide* intention of occupying and utilising them as intended by the Act.

These evils, are, however, not nearly so pronounced in applications for sections under the Land for Settlements Acts, as here the applicants have to come before the Land Board, which decides whether they are suitable so far as means, knowledge and experience, amount of land already possessed, &c., are concerned. In the applications for improved-farm-settlement sections, again, the Commissioner is empowered by regulations to decide upon the character, &c., of the applicants, and to restrict allotment to those who are of the class prescribed therein, thus reducing to a minimum the speculative element.

The systems numbered 1, 2, and 3 seem to me to be unsuitable to the circumstances of settlement in this colony, and, as the auction and tender systems each favour the applicant with most capital, I see no way of dispensing with the ballot in cases of duplicated applications; but the method of conducting these ballots is certainly capable of improvement and regulation in such a way as to practically prevent speculation and insure *bonâ fide* settlement. For example, not more than one member of a family should be allowed to participate in the same ballot for a particular section or group of sections. By "family" I mean the man and wife, and any of the children under the age of, say, twenty-one years who may have been living at home with them during the twelve months immediately preceding the date on which any lands being applied for are declared open for selection.

Preference should be given to applicants who are landless, in the following order: (1) Married men with children; (2) married men without children; (3) widows with children capable of assisting, and married women with similar families but who are judicially separated from their husbands; (4) single men, twenty-one years of age and upwards. (See, also, further report of the 3rd August, attached.)

Single women should, I think, be barred from selecting where residence is compulsory, experience clearly showing that it is almost impossible to get them to reside in a *bonâ fide* manner; indeed, it is unreasonable to ask them to live on the land alone.

The Land Board should have special powers to reject applications from persons who in its opinion are in affluent circumstances, or from individual members of their families and personal friends whose *bona fides* as permanent settlers the Board has good reasons for doubting, and also from those who do not possess the necessary farming experience and other qualifications coupled with sufficient means to insure success. This is following somewhat on the lines at present laid down under the Land for Settlements Regulations. Sections should be opened as far as possible in groups of approximately even rentals, or in allotments, as the Board may decide. Every applicant should appear personally before the Land Board, and answer all questions put to him, and should in addition be prepared to produce at the meeting his bank-book or other satisfactorily attested documentary evidence that he is possessed of or can legitimately obtain sufficient means to enable him to profitably work the land applied for. In my opinion, such means should, in the case of heavy bush lands to be leased on the occupation-with-right-of-purchase or lease-in-perpetuity systems under Part III. of "The Land Act, 1892," be equal to not less than one-half the capital value thereof, and in the case of open lands to not less than one-fourth of the capital value of the lands applied for. Under the above tenures some little capital is absolutely necessary to insure success within a reasonable time.

Selections by Persons with Little or No Means.

To my mind, the most favourable, and indeed the only, tenures now in force under which an applicant practically without capital has a reasonable chance of speedily providing a comfortable home and independence are:—

1. Under the improved-farm-settlement system as provided by "The Lands Improvement and Native Lands Acquisition Act, 1894," and the regulations made thereunder.

These regulations limit the area that can be selected to 200 acres, and provide for making advances to assist in felling, clearing, and sowing grass-seed on bush lands, and also a further advance of £10 in the case of single men, or £30 in the case of married men with families, towards the cost of a house and garden; but no advance is made in excess of three-fourths of the value of the house, &c., so erected; where the house is of the value of £40 or over, a policy of insurance has to be taken out in the name of the King to minimise the risk. Advances cannot be made for felling bush on a less area than 5 acres, nor on a greater area than 50 acres in any one year, and are limited to 100 acres in all. Interest is charged on these advances at the rate of 5 per cent., and the principal from time to time may be repaid by instalments. Any balance remaining unpaid when the lease or license is issued is added to the capital value of the land, and 4 per cent. or 5 per cent. thereon is added to the rent in accordance with the tenure, the former on "lease in perpetuity," and the latter on "occupation with right of purchase."

This is *par excellence* the system for the poor man to select under, as, in addition to the above, he is not required to pay rent until twelve months after the 1st January or 1st July (as the case may be) immediately following one year from the date on which the grass is ready for stock; this means that he usually sits rent-free from two to three years after date of allotment. Residence under this system is compulsory within three months after the first burn. The regulations should provide that each selector under this system should, after the first and in each succeeding year, while advances are being made, fell a certain amount of bush or make some other improvements at his own cost, as a set-off against the Government advances, and thus give him a definite interest in the land, and insure his remaining on it.

Unfortunately, the class of land suitable for settlement under this tenure in the Wellington Land District is now practically exhausted, and it is suggested that consideration might be given to the question of introducing legislation enabling the Government to acquire from European or Native owners a sufficient area of first-class land to meet the demands in different localities where the surrounding circumstances point to the probability of settlements, limited in area, and not too close together, being successfully established. The Land for Settlements Acts do not provide for this class of settler, who is necessarily a man without capital.

2. Under the village-homestead-settlement tenure (clauses 168 to 171 of "The Land Act, 1892"), which enables the setting-apart of allotments varying in area from 1 acre to 100 acres each, and on which Government is authorised to make advances in money to assist the settler in building a house on the land.

These advances have, during the past few years, been limited to £10 under this system (see regulations of the 27th February, 1891). The Act does not, however, limit the amount that may be advanced.

General.

No lessee should be allowed to transfer the possession or occupation of his holding until after he has resided thereon in a *bonâ fide* manner for a period of, say, not less than three years, and has otherwise complied with the conditions of his lease to date. He might, however, be allowed to mortgage after having complied as above for one year in case of ordinary Crown lands (those under Land for Settlements Act being already fixed by statute). I would also suggest curtailment of the exemption from residence on bush lands (clause 141 of "The Land Act, 1892") from four to two years, with a view to discouraging speculation.

Should it not be intended to amend the Land Act during the current session, the difficulty might be got over by the introduction of a special Land-ballot Bill, incorporating the necessary procedure decided upon by Government, whether on the above-recited lines or otherwise, and making the same include ballots under the Land for Settlements Acts.

JOHN STRAUCHON,
Commissioner of Crown Lands.

The Surveyor-General, Wellington.

Department of Lands and Survey,
District Office, Wellington, 3rd August, 1903.

IN continuation of my memorandum to you of the 24th ultimo, *re* simplification, &c., of our present system of balloting for land, I would further beg to suggest the insertion after "(4) single men," that persons under the age of twenty-one years should not be eligible as applicants for land as at present allowed by section 92 of "The Land Act, 1892." This will further tend to bring "The Land Act, 1892," and "The Land for Settlements Act, 1900," into line in regard to ordinary applications for land. I think this course advisable for two reasons: (1.) That the applications from persons of full age have hitherto far exceeded the quantity of land from time to time available for selection. (2.) The difficulty experienced in getting these youths to take up permanent residence on their holdings, even after the years of grace allowed by section 142 have expired; and it frequently appears doubtful if parents do not take advantage of the clause to practically obtain the use of land they may be themselves ineligible to select. It is, however, very difficult, as you know—in fact, almost impossible—for the Land Board in cases like these to obtain definite and conclusive proof that the land is not being selected for the sole use and benefit of the youthful selectors themselves. As a matter of fact, hardly any youth only seventeen years of age is in a position, financially or otherwise, to satisfactorily occupy and make a farm without parental aid and control.

JOHN STRAUCHON,
Commissioner of Crown Lands.

The Surveyor-General, Wellington.

MARLBOROUGH

REPORT from C. W. ADAMS, Esq., Commissioner of Crown Lands, Blenheim.

Department of Lands and Survey,
District Office, Blenheim, 14th July, 1903.

Circular re *the Ballot System.*

I PRESUME that I am expected to give my real opinion on the ballot system as it is used in the disposal of Crown lands, and in doing so I trust that I may be excused if I depart somewhat from the usual formal official style of expression.

In the first place, I do not approve of the ballot system at all, except as a last resort, when it is difficult or impossible otherwise to decide who is the most suitable applicant. Before you pass judgment on this expression of opinion, may I ask this question: Would you or I dispose of our own land in this manner? Certainly not. Even if the land were not your own, if it had belonged to a deceased friend who had made you his trustee, and you felt it would be the best way to lease the land until the children were old enough to manage it themselves, would you in this case select the tenants by drawing lots or a dip in the "lucky-bag"? Certainly not. No man in his proper senses would dispose of his property or select his tenants in this haphazard manner. Then, if this method of disposal is not suitable for our own land or that of our friends, by what process of reasoning can we make it out to be suitable for the disposal of lands belonging to the State?

Our present method of ballot was originally designed to meet the case of two or more *bonâ fide* applicants applying for the same section; but as at present worked it becomes a gigantic lottery. Also, in "The Land for Settlements Amendment Act, 1901," in order to prevent speculation, the transfer of a lease is prohibited for a period of five years. But in the case of an incompetent or unsuitable tenant this is only an exchange of evils, as the sooner a tenant who cannot work the land to advantage is got rid of the better. When a great public duty is placed upon us, involving in its execution our best skill, judgment, and faithful administration, are we going to shirk our responsibilities and let blind chance decide? Is this reasonable? Certainly not. Then why was it adopted? To avoid the evils of the auction system. But now the ballot system has had several years' trial I think it will be admitted that its evils are far worse than those of the auction system, and the ballot system fails altogether in selecting the most suitable applicant for the land; while, on the other hand, the auction system generally results in the best man getting it.

Of course, this does not suppose that any one can compete at auction, make your restrictions as stringent as you like, so as to exclude all those who may be considered undesirable, and then, if you like, allow the Land Board to weed out any applicants they deem unsuitable or undesirable, and then put the land up to auction amongst the remainder. But in using the word "auction" where leases are concerned, I do not mean the usual method, but what I might term a modified auction, which avoids most of the evils of the present system of auction, and which should be applied to pastoral leases as well as other leases. Thus the annual rent should be fixed by the Land Board at a fair rate, and the goodwill only put up to auction. Thus the successful applicant would only have to pay down a cash bonus, and not be saddled for twenty-one years, or longer, with a rack rent that he was induced to bid for in a moment of excitement. Thus the chief evil of the old or present system of auction disappears. The applicant only commits himself to a present payment of a cash bonus, and then for the rest of the term has the land at a fair rent. If this system is objected to, I have only to say that it is a common practice nowadays, under the present system, for a tenant after he has held land for a certain term to transfer his holding for a considerable cash bonus to the applicant who is willing to give him the highest price. Now, I maintain that the State, and not the land speculator, should get this bonus.

If, however, it is decided that the ballot shall be retained in some cases, then it might be simplified as follows: Instead of balloting for each section there should only be one ballot for each class of land offered at any one time or place. Thus, if land on the optional system, small grazing-runs, pastoral runs, &c., be offered, then there should be one ballot only for the land on the optional system, one ballot for small grazing-runs, one ballot for town sections, &c. But instead of balloting for sections the balloting would decide the priority of choice of the applicants. Thus every applicant is numbered, and all the balls put in the box. The first ball drawn entitles the applicant whose ball it is to take his choice of any section in the block. Then another ball is drawn, and the applicant has second choice, that is, he chooses any section of those not already selected, and so on. This makes possible the selection of the identical section that the applicant prefers in a great many cases, and he is only barred from those sections that have been already selected, while he has the free right of choice over all the others. If there are a hundred sections of one class to be disposed of, this system substitutes one ballot for one hundred ballots. It saves a vast amount of time and trouble, and prevents any complication or deadlock occurring. Every applicant is free to act as he pleases. He can withdraw at any time. If other applicants preceding him have chosen the sections he preferred, he is not compelled to choose one he does not care for. If two or three brothers or other relations wish to select adjoining sections they have a good chance of doing so under this system, but almost none at all under the present system. Also, as I proposed to modify the auction system, so I would modify the ballot system, by first of all giving each Land Board the power of veto, by which they could reject those applicants they considered least eligible, retaining only those they considered eligible. Judging by the qualifications of the applicants that usually present themselves under the present ballot system, the Land Board would probably be justified in rejecting 80 or 90 per cent., the remaining 10 or 20 per cent. being applicants well qualified to succeed as practical farmers. Even where the modified auction system was adopted, I should first of all reject all unsuitable applicants, including those disqualified by already possessing a sufficient quantity of land.

There is another consideration which shows where the ballot system always fails, and it is this: In a great many cases it frequently happens that a piece of land is so situated that the acquisition of it will enhance the value of an adjoining piece of land, and the two pieces will be capable of being worked as one holding to much better advantage than either piece separately. For instance, there is a very common case in Marlborough, where a man holding a small freehold facing a bay or a road would improve its value greatly if he could acquire the rough hilly land at the back; while if another applicant got it a road would have to be purchased through the freehold, which would be deteriorated in value thereby, and the hilly land could not be worked to advantage without the homestead-site in front; therefore it would be worth more to the holder of the freehold than to any one else, and if he were allowed to acquire it the State would get a better price for it, and the land would yield a better return than if otherwise disposed of. What we want is to get the best farming talent we have in the community settled on the land, and we shall never do this under the ballot system, where a capable farmer's son, strong, willing, with brains and capital, is often defeated at the ballot by a man who has always lived in a town, and who has not a single qualification requisite to make a good farmer; or, what is still more absurd, by a young girl who has never done anything but housework all her life. What should we think of a farmer who decided by tossing up a coin which field should be sown with wheat and which with oats? We should conclude that he ought to be consigned to a lunatic asylum as soon as possible.

To conclude, under the present ballot system, if there are a hundred applicants for ten sections, then, in any case, ninety out of the hundred are rejected. Now, is it not more likely that a judicious weeding-out of these ninety by the Land Board will secure a better class of settlers than by leaving it to blind chance? Is it not also a more just system? A good farmer has a just cause of complaint if he is rejected by a throw of the dice, as it were, and by no fault of his own. But if an incapable man is rejected because he is incapable, then he has no right to complain. The ballot system does not succeed in putting one single farmer extra on the land, but it results in placing a very inferior set of settlers in possession, as compared with those that an auction system would secure.

Finally, if we wish to make the land system of New Zealand a success, we should see to it that we put the most capable men that we have on the land, and not continue the present haphazard system any longer.

C. W. Adams,
Commissioner of Crown Lands.

The Surveyor-General, Wellington.

Department of Lands and Survey,
District Office, Blenheim, 17th July, 1903.

Circular re *the Ballot System.*

In reference to my letter *re* the ballot system, of yesterday's date, I herewith forward you copy of suggestions sent to me over two years ago by Mr. W. G. Runcie, now Auditor of Land Revenue. It was really his method that was suggested by me in yesterday's communication for simplifying the ballot system, and I think that Mr. Runcie's suggestions would go as far as possible towards simplifying the methods of taking a ballot.

My own objections are not so much as regards the method of conducting a ballot as to the principle of the ballot itself.

C. W. Adams,
Commissioner of Crown Lands.

The Surveyor-General, Wellington.

Suggested Alterations to this Regulation by W. G. Runcie, Auditor of Land Revenue.

REGULATIONS FOR A SYSTEM OF BALLOT UNDER "THE LAND ACT, 1892."

Glasgow, Governor.

In pursuance and exercise of the powers and authorities conferred by "The Land Act, 1892," His Excellency the Governor of the Colony of New Zealand doth hereby revoke the regulations for a system of ballot under the said Act, published in the *New Zealand Gazette* of the tenth November, one thousand eight hundred and ninety-three, and doth hereby make the following regulations for a system of ballot with respect to lands purchased, leased, or otherwise disposed of under the provisions of the said Act, that is to say:—

1. On the day appointed for receiving applications for land each application as it is received shall be numbered in consecutive order; and ~~in addition with a rotation number having reference only to the application made for the particular section applied for.~~

2. A list shall be prepared ~~for each section in the following form,~~ *of the applicants of each grade,* on which will be entered the ~~rotation number for the land applied for, and the~~ consecutive number of the application *of that grade.*

Survey District.

Section , Block , ac. r. p.

~~Rotation Number.~~	Application Number.	Name of Applicant.	Remarks.

3. The Commissioner shall provide sufficient balls, all of one size and colour, equal to the total number of applications for ~~the section applied for,~~ *each grade*, and on each of such balls he shall cause to be legibly printed or written ~~one of the rotation numbers aforesaid, but so that no two balls shall bear the same rotation number~~ *one number*. The figures on the balls shall have a line drawn horizontally under them to show which is the right side up.

4. At the time fixed for the ballot the Commissioner of Crown Lands, or officer appointed by him, shall read over each name on the list aforesaid with its ~~rotation~~ number, and, as each name and number is read over, the ball bearing the corresponding ~~rotation~~ number shall be deposited in the ballot-box.

5. The ballot-box shall then be securely closed and thoroughly shaken up and turned, and the drawing shall then take place in the presence of the Commissioner of Crown Lands, or the officer appointed by him to superintend such drawing, and the person whose ~~rotation~~ number appears on the ball first drawn from the ballot-box shall be ~~declared by the Commissioner or other officer to be the successful applicant.~~ *requested to choose his section; the box is again closed and shaken up and turned, and another ball is drawn, and the person whose number it corresponds with shall make the second choice; and the ballot goes on in a similar way till the sections are all disposed of.*

6. Immediately upon the successful applicant being declared he shall pay to the Receiver of Land Revenue the deposit, purchase-money, rent, or other moneys required by law in respect of the land applied for; and should such applicant or his representative not make the said payments as required by law, then a fresh ballot in the manner before provided shall be taken between the other applicants without delay. Or, should there be only one remaining applicant, he shall be declared successful, subject to the said payments being made as aforesaid.

As witness the hand of His Excellency the Governor, this thirteenth day of January, one thousand eight hundred and ninety-six.

JOHN MCKENZIE,
Minister of Lands.

N.B.—If the grade system is not approved of, there is no reason why the choice system should not be.

SUGGESTIONS RESPECTING LAND APPLICATIONS FOR ALL SYSTEMS, AND THE PROPOSED MODE OF DEALING WITH THE SAME. BY W. G. RUNCIE, AUDITOR OF LAND REVENUE.

1. ALL applications received from and after the date of the opening of any land to the day preceding the ballot shall be considered as having been received at the same time, and shall be given a number in the order of their receipt, such number becoming the ballot number.

2. Applicants shall, in the proper place on application form, state how many previous times they have unsuccessfully applied for a section in this land district.

3. In applying, an applicant has only to state that he applies to have his name included in the ballot for sections that takes place on the day of , 190 . Does not require to state his section.

4. Deposits with application not compulsory.

5. Every applicant who has not paid a deposit shall make a declaration on his application agreeing to pay, upon his being declared successful at the ballot, the amount of the deposit required, together with one guinea for lease and registration fee.

6. If the required deposit of any applicant whose number is drawn from the ballot-box is not at once paid, the Commissioner of Crown Lands or his appointee shall proceed to draw a fresh number from the ballot-box till the person whose number is drawn complies with the conditions of sale.

7. The deposit so paid shall be used for the payment of the first half-year's rent thereon in advance, computed from the 1st day of January or the 1st day of July, as the case may be, first following the date of the ballot, or in the case of small grazing-runs from the 1st March or the 1st September, as the case may be.

8. If an applicant cannot attend personally or by agent on the day of ballot he can be allowed to declare his choice of section and pay the necessary deposit equal in amount to one half-year's rent and lease fee, and if unsuccessful the deposit made shall be returned in full as early as possible.

9. In the place where the ballot is to be held there shall be posted in a prominent position in legible figures and letters the number and name of each applicant.

10. Before the ballot takes place the Commissioner of Crown Lands shall cause to be graded and classed all applications according to the number of times they have unsuccessfully applied in the Land District:—

(1.) Those who are applying for the first time.
(2.) Those who are applying for the second time, and who were unsuccessful at the first ballot.
(3.) Those who are applying for the third time, and who have previously been twice unsuccessful.
(4.) Those who are applying for the fourth time, and have previously been unsuccessful three times.

There shall be certain priority of right as regards the ballot which shall be as follows:—

1. Those applicants who have applied the same and the greatest number of times unsuccessfully shall ballot together, and be called the first ballot. The name first drawn shall have the choice of the sections in the block, the second name drawn the second choice, &c., always provided that the applicants are approved persons.

2. If there are any sections remaining after the first ballot, those in the next grade shall form the second ballot and proceed in the same manner as in the first, and continuing in the same order down the grades as long as any sections are unallotted. Should it so happen that an applicant finds his name drawn, and the particular section he wanted is disposed of, he need not make a selection unless he wishes. If he does not select he shall be considered an unsuccessful applicant. Married women living with their husbands are not eligible as applicants, but married women who have obtained a decree of judicial separation from their husbands shall be eligible. A husband who has a section, but whose wife has no land, can apply for a section and take the usual chance for his wife, but his choice if her name is drawn can only be for a section which adjoins his holding to be held in her own name and right in trust by her for her children, and not exceeding 320 acres first-class or 1,000 acres second-class lands.

Widowers or widows with no family shall as far as this Act is concerned be considered as single men and women. A widow with a family shall be entitled to all the privileges the Act confers on male applicants. Youths—male or female—under the age of seventeen years shall not be eligible as applicants.

PROPOSED SUBSTITUTION FOR THE PRESENT BALLOT REGULATIONS.

1. Deposits not compulsory.

2. Every applicant who has not paid a deposit shall make a declaration on his application agreeing to pay, upon his being declared successful at the ballot, the amount of the deposit required, together with one guinea for lease and registration fee.

3. If the deposits of the applicants whose numbers are drawn from the ballot-box are not at once paid, the Commissioner of Crown Lands or his appointee shall proceed to draw fresh numbers from the ballot-box till the persons whose numbers are drawn comply with the conditions of sale.

4. The deposit so paid shall be used for the payment of the first half-year's rent thereon in advance, computed from the 1st day of January or the 1st day of July, as the case may be, first following the date of the ballot, or in the case of small grazing-runs from the 1st of March or the 1st of September, as the case may be.

The present law reads as follows: "Every application shall be accompanied by a deposit of one half-year's rent of the land applied for, together with the sum of one guinea to defray cost of lease: Provided, where the application comprises more allotments than one, it shall be sufficient if the deposit is equal to the half-year's rent of the allotment whose rent is highest. If the applicant is successful in obtaining an allotment, such deposit, or a sufficient portion thereof, shall be retained as the first half-year's rent thereon in advance, computed from the first of January or July, as the case may be, first following the date of the application, and the residue shall be returned to the applicant. If the applicant is unsuccessful, or the application is rejected, such deposit shall be returned."

NELSON.

Report from W. G. MURRAY, Esq., Commissioner of Crown Lands, Nelson.

Department of Lands and Surveys,
District Office, Nelson, 23rd July, 1903.

Ballot System.

REFERRING to your circular of the 9th instant, enclosing copy of letter from the Right Hon. the Premier referring to the inequality of the ballot system under the Land Act, and requesting that suggestions for improving the present system might be submitted, I may say that I have great diffidence in making any suggestions, as my experience of the ballot system is limited to the Westland and Nelson Land Districts, in both of which districts the lands offered to selectors have not been of such value as to cause any considerable number of applicants to compete for them. I feel sure that the suggestions of the Commissioners of Crown Lands of other districts, who have had great experience in conducting ballots, would be of much greater value than any I can offer.

W. G. MURRAY,
Commissioner of Crown Lands.

The Surveyor-General, Wellington.

WESTLAND.

REPORT from G. J. ROBERTS, Esq., Commissioner of Crown Lands, Westland.

Department of Lands and Survey,
District Office, Hokitika, 29th August, 1903.

I HAVE the honour, in reply to your circular of the 9th July, to forward herewith eight suggestions with regard to the disposal of lands by ballot.

I am especially diffident in sending you any personal views on this most important subject, as I am certain that I am simply reiterating a few of the many valuable suggestions which many of the other Commissioners, as the fruit of their much more varied and extensive experience, will forward.

(Signed) G. J. ROBERTS,
Commissioner of Crown Lands.

The Surveyor-General, Wellington.

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1. THAT in the case of any lands being thrown open for sale or selection under the optional system, or in the case of any Land for Settlements estate, the Land Board shall define the district from within which only applicants shall be eligible for the first ballot, always provided that such applicants shall have been resident in the said district for a period of five years.

(In the case of small blocks or estates being offered, there the Land Board may restrict the application district to a small area around those lands; and in the cases of large blocks or extensive estates, the application area might be noted as extending to the whole Island or colony. In some instances old residents, who have been the pioneers of a district, and who have been looking forward for years to obtaining a section either for themselves or to settle their sons close to the old home—I say, these old settlers have frequently seen men from other districts, new arrivals from other colonies, by the haphazard of a mechanical ballot, obtain the cherished and hoped-for allotments, and these old colonists or their sons have been compelled to leave the old locality and seek their fortunes elsewhere.)

2. That, in the case of settlement estates, no relatives or the immediate connections of the person or persons from whom the estate was purchased shall be eligible for the first ballot, but that any of these may be allowed to make subsequent application.

(In a recent ballot four sections out of seven were obtained by the sons-in-law, &c., of the man from whom the estate was bought. We have had experience of cases where several members of a family have swamped a ballot and excluded many other applicants. In one particular case lately, three brothers and one sister were all successful in drawing sections, whilst other individuals were thrown out. In another case several members of a family put in applications specially against another single applicant, and obtained the coveted allotment.)

3. That married men having a family should have preference at the first ballot over single men or men without family.

4. If any applicant is unsuccessful at the first ballot, then such applicant shall have two chances at any subsequent first ballot; and, failing for the second time, the applicant shall ballot with others of the same class only at any following first ballot, the intervals between each ballot being not more than six months.

5. That any male applicant of the age of seventeen and upwards under the optional system, and of nineteen and upwards under the Land for Settlements Acts, be allowed to apply, provided that some person who is "landless" be responsible for such applicant until he comes of age—depositing security, &c. That such under-age applicant reside continually on the land, and be not allowed to transfer until he is twenty-six years of age and the conditions have been fully complied with, &c.

(We have had several applications for sections on estates by applicants under twenty-one years of age. Some of these applicants were educated at Lincoln College; their fathers and brothers were storekeepers who were "landless," and were most anxious to have these young men settled on the land, but were debarred by the present regulations.)

6. That power be given to the Land Board, after due examination of applicants in committee, to reject any applicant without giving any reason for so doing, and that their decision be final and without appeal.

(In our experience it has happened that, after due and searching examination of an applicant, the Land Board was reluctantly obliged to accept him as an "approved applicant," although we were all morally certain that he was propped up and supported by—in fact, was simply acting for—another man; yet we could not actually prove this. Again, an applicant might for other reasons be a very undesirable person to thrust amongst respectable, well-doing settlers, and it would be very commendable that the Board should have power to shunt such a character without further complications such as appeal or giving reasons, &c.)

7. That the system of the "grouping" of sections be abolished, so that any applicant may have the right to select any section he chooses.

8. That only one member of any family be allowed at the first ballot for any lands whatever.

(This is to prevent a monopoly of sections by a family to the exclusion of others. For instance, an application is made to have lands thrown open in certain localities—say, out of a run, &c.—and forthwith all the members possible of an interested family send in separate applications, and often completely overwhelm isolated applications. See also note to suggestion No. 2.)

Note.—The foregoing suggestions have reference only to the first ballot for any sections whatever, and all remaining lands should be open to the general public immediately after the declaration of the first ballot, or the day after allotments have been declared open for selection.

G. J. Roberts,
Commissioner of Crown Lands.

CANTERBURY.

Report from Thomas Humphries, Esq., Commissioner of Crown Lands, Canterbury.

Department of Lands and Survey,
District Office, Christchurch, 21st July, 1903.

In compliance with the direction contained in your circular of the 9th instant, at the instance of the Right Hon. the Premier, to give the result of my experience chiefly on the question of the inefficiency of the present system of ballot in preventing the introduction of very undesirable elements, and also to suggest a more effective method, I have the honour to forward herewith some comments based upon my experience of its workings, and suggestions as to alterations in the method which, in my opinion, would in a very great measure, if not completely, remove the anomalies and objections that now prevail.

I have ventured to traverse several points in the existing statutory procedure. My excuse for doing so is the belief that the Right Hon. the Premier desires to elicit the candid opinion of officers who have for years been brought into daily contact with its working, and whose opportunities of detecting weaknesses, if any, are in consequence particularly favourable for doing so.

Thos. Humphries,
Commissioner of Crown Lands.

The Surveyor-General, Wellington.

COMMENTS ON THE WORKING OF THE EXISTING SYSTEM OF BALLOT, AND PRELIMINARIES THERETO, AND ALSO SUGGESTIONS REGARDING AN IMPROVED METHOD.

MY experience in respect of the working of the existing ballot system in the disposal of lands in the different districts where I have held office as Commissioner of Crown Lands has been varied; necessarily so under the dissimilar conditions often peculiar to different localities. At times the system has been far from giving satisfaction to would-be selectors, this being very largely due to circumstances and conditions which were but in embryo at its institution, but which have rapidly developed of late years—so much so, as to suggest the necessity for some modification being made to meet the present condition of things.

The need for some such modification has been accentuated of late years through the increased demand for land, owing largely to the rise in the price of stock and the improved facilities for the disposal of all agricultural products, which has induced so very many to devote their energies to farm life; whilst, in consequence of many of the tenants on the earlier settlements having disposed of the goodwill of their leases at high figures, on account of the rapid rise in the price of land in the district, it is to be feared that numbers seek to acquire land merely as a speculation.

I have often felt grieved to see the disappointment of some who, after making expensive journeys to inspect the land, &c., have time after time failed to acquire a holding at the ballot. This failure could not always be wholly attributed to bad luck, but more often to the number of chances that others had secured by means of relatives and friends who lent themselves, notwithstanding their sworn declaration that they were applying "solely for their own use and benefit, and not directly or indirectly for the use or benefit of any other person or persons whomsoever." The meaning which applicants assign to the words "solely for their own use and benefit" differs very considerably with different persons, some considering themselves quite justified in making the declaration (and openly expressing such opinion) if they see the prospect of making a pecuniary profit out of the transaction. I am sorry to say that one is repeatedly brought face to face with the fact that to many the declaration undoubtedly seems to have lost its emphatic and binding significance; indeed, numbers seem to sign it without a thought of what it involves.

In the disposal of Crown lands under the provisions of the Land Act, where a person is not required to make a deposit with his application, but only to pay if successful at the ballot, the difficulty is created not so much by the moneyed man who is capable of finding the cash for deposits on a number of applications (excepting where he wishes to acquire a number of sections, which is, however, sometimes the case), but rather is the difficulty caused by the person who has a large circle of relatives or, it may be, of obliging acquaintances. And the problem is to devise some means that will reduce to a minimum the introduction of this undesirable and unfair inequality in applicants' chances. In the case of land disposed of under the Land for Settlements Acts, money does tell as well as relatives and friends, for a deposit, very considerable in some instances, has to accompany each separate application.

In the multiplication of chances we have, first, the wives of married applicants who enter in order to duplicate their husbands' chances. As the law stands at present, a man through his wife, may, under the Land Act, not only double his chances at the ballot, but control or practically hold 960 acres of first-class or 3,000 acres of second-class land. The provisions of the Land for Settlements Acts, however, do not permit of the wife holding a section if the husband has one, unless the Land Board is of opinion that the husband's holding is too small, or *vice versa*, though she may duplicate his application to the extent of 320 acres of first-class and 1,000 acres of second-class land. Secondly, there is the case of the unmarried woman, who can select up to the maximum for men, and who, in land matters, is either a relative or friend of the family, and an application from one such can almost invariably be looked upon as being made solely to increase the chances of some other person at the ballot. As I shall shortly show, out of 303 applicants at our last ballot there were no less than forty-two single women, besides a greater number of married women, and there was not one of either condition that did not bear the same name as some one of the male applicants. The experience here is that where unmarried women have been successful at the ballot, and have secured land, there is every reason to believe that it is invariably worked by and in the interests of a relative. I mention these facts to show how the ballot is capable of being "stuffed." Similar remarks may apply to many of the single young men, though not to the majority of these.

In the case of lands under the Land for Settlements Acts, the Land Board does its best in the examination to purge the ballot list, but it is difficult to do much in the face of sworn declarations and with the limited grounds for rejection which are sanctioned by the existing law and regulations.

To show what an enormous disadvantage the man with the single application labours under in a ballot, I cannot do better than give the particulars of the last two ballots—the first, for the Chamberlain Settlement, 9,528 acres in twenty-three sections, under the Land for Settlements Acts; and the other, a block at View Hill of 8,174 acres in thirty-eight sections, under the Land Act.

Chamberlain Settlement (leased under the Land for Settlements Acts).

Of the 246 applicants, 67 were women—49 being married, and 18 single.

				Applications.
In 86 cases	each applicant	had	but one chance	86
„ 40	„	„	two chances, through relatives ...	80
„ 10	„	„	three „ „ ...	30
„ 7	„	„	four „ „ ...	28
„ 3	„	„	five „ „ ...	15
„ 1 case	the	„	seven „ „ ...	7
				246

View Hill Plains (disposed of under the Land Act).

Of 303 applicants, 88 were women—46 being married, and 42 single.

				Applications.
In 41 cases	each applicant had	but one chance	... ...	... 41
„ 29	„	„ two chances, through relatives	...	... 58
„ 17	„	„ three „ „	...	... 51
„ 8	„	„ four „ „	...	... 32
„ 5	„	„ five „ „	...	... 25
„ 4	„	„ six „ „	...	... 24
„ 5	„	„ seven „ „	...	... 35
„ 2	„	„ eight „ „	...	... 16
„ 1 case the		„ ten „ „	...	... 10
„ 1 „		„ eleven „ „	...	... 11
				303

Thus the chances of each of the last two men were to each of the first forty-one applicants as 10½ to 1. It is just possible, however, that two or more of these numerous relatives wanted land for themselves.

The question of allocating the land to a particular individual when there is more than one applicant for an allotment is a difficult one to solve in a manner that will be equitable, just, and fair to all alike. Objection is taken to the ballot as a gambling affair; but, after very careful consideration, and bringing my experience to bear upon the subject, I am of opinion that a form of ballot which practically constitutes an order of choice, somewhat different both in the ballot and in its preliminaries from that now in force, will give most satisfaction and do away with much of that to which objection is now so strongly taken.

Experience has proved that preference for "married men with families" against all others, as provided for in the Land for Settlements Regulations, is a sound provision when applied to workmen's homes or settlements composed of very small holdings in the vicinity of cities or large towns, but if applied to rural farm settlements is found to be capable of producing most undesirable results; and upon these grounds, if I might be allowed, I would suggest an amendment in the direction of making it permissible only when in the opinion of the Board it would be advantageous to apply it, which might happen occasionally under special circumstances, such as when there were good and extensive homestead buildings on an allotment.

Amongst the 246 applicants for Chamberlain Settlement, the last disposed of, there are more "married men with families" than there were allotments to select. Had the Board adhered strictly to the regulation, which it declined to do, it would have meant turning away without even examination nearly two hundred applicants who had trustfully come to Timaru, many of them from long distances, for the purpose of undergoing examination and in the expectation of being admitted to the ballot. As the number of applications from "married men with families" has been, and is likely almost invariably to be, in excess of the number of allotments offered in any settlement, it would, if the regulation were strictly carried out, end in married men without families, widows with families, and single men and women, ceasing to apply for land, as there would be no possibility of their getting it until the supply of "married men with families" was exhausted.

Again, there are many industrious and worthy single men, with large experience, anxious to make a start in life, who would make far more desirable settlers than some of the married men, and not a few of these young men who are on the point of marrying would be debarred from getting land and carrying out their intentions were the "married men with families" clause to be enforced in all cases. In the last two ballots there were several of this class, whose *fiancées* also applied and came up for examination. These jointly told the Board of their intention to get married in the event of their getting an allotment, and I am pleased to say that at least two couples were successful.

There is another point bearing upon the subject of the admission of applicants to the ballot which is worthy of consideration. At present there is no proviso in the Land for Settlements Act or Regulations for excluding from the ballot a person who has already been the holder of land in a settlement under the Land for Settlements Act, and who has sold his interest therein. Shortly before the opening of the Chamberlain Settlement a person holding the homestead allotment in another adjoining settlement transferred his interest in the lease, and received for the goodwill thereof nearly £800. Although this transaction had only been completed a few weeks before, he had the audacity to put in an application for the homestead section at Chamberlain. There was no law to prevent his doing this, but the Board took the responsibility of refusing his application, telling him that as he had already been successful in acquiring land under the system he must stand out and let others have a chance of doing the same. Discretionary powers should be given to reject the application of any person who, having held a lease of a size which, in the opinion of the Board, was sufficient for his means and requirements, has transferred it less than two years previous to the date of his fresh application.

Proposals.

The points to be considered are, then, first, the inequality of chances under which so many now have to suffer; and, secondly, the compulsion now exercised in forcing persons to take sections in a "group" against their will, which has been the cause of much resentment amongst the applicants when they learnt the conditions under which they would have to apply.

To give effect to my proposals, large discretionary power would need to be given to the Land Board in deciding who should go to the ballot when more than one person applied for an allotment.

1. There would need to be an examination of applicants, as now, and that examination, in order to be effective, would require to be exhaustive, and the Board's discretion wide, particularly in regard to family relationships, &c., so that no more than one member of a family or interested friend should go to the ballot, unless the Board was very fully satisfied that another of the applicants was a *bonâ fide* one and "on his own." Once it became known that this procedure would be followed, and strictly enforced, the present practice of "stuffing" the ballot would immediately diminish, if not disappear altogether. We should then get equality of chances, instead of gross unfairness, as exhibited in the examples I have given.

2. I propose that the allotments should be grouped—*i.e.*, graded—in a somewhat similar manner to what is now done, only on broader lines, taking into consideration the size, capabilities, and rent of the sections, and the expenditure necessary to work them.

3. That the allotments be advertised in grouped form, with the area, rentals, &c., as now, and a person's deposit would be the required amount for the highest-rented section in the group which he considered himself qualified for, and which in his application he expressed his desire to select from.

4. The Land Board would decide, upon examining each applicant as to his means, &c., whether he should be entered for the group for which he applied, or, if his means were found insufficient for that group, it might relegate him to a lower group more suited to his means. This would still give him a chance which under the present regulations he does not possess if he is found to be insufficiently qualified for the group for which he has applied.

5. At the ballot each approved applicant would have a number assigned to him.

6. As many numbered balls as there were approved applicants for the whole of the sections, irrespective of groups, would be put into the ballot-box.

7. The representative of the first ball drawn would proceed at once to select his section, either from the group that the Board at the examination had assigned him to as his maximum, or from any lower group.

8. The representative of the second ball drawn would then make his choice in a similar manner, and so on until the whole of the sections were selected.

9. The unsuccessful applicants would be those represented by the balls left in the ballot-box after the last section had been taken up.

To illustrate the foregoing:—

Group A. Sections requiring a capital of, say, *£1,000* to commence with.
" B. " *£500* "
" C. " *£250* "
" D. " *£100* "
" E. Small sections requiring, say, a capital of *£20* to make a successful start.

[Particulars in italic type are merely for the sake of illustration, and no indication of that nature would appear in the advertisement, but simply area, rental, &c.]

Thus an applicant with £250 capital would be assigned to Group C, and if his number were drawn in the ballot he would be entitled to select any section to his taste (not previously selected) in either of Groups C, D, or E; or a person in Group A could select any section he pleased from any of the groups. An applicant with a choice would be allowed to withdraw should there be no section left that he would care to take. In such a case an additional chance would be given to those whose numbers had not been drawn.

The effect of this would be that every one who drew a section would have one of his own choice, and have no grounds for subsequent complaint on that account. It will be noticed that the idea is to allow the applicant with a choice to select, not only from the group to which he has been assigned, but from any lower one also. The necessity for this is obvious, for whilst a person might prefer sections in a certain group, it might so happen that all the sections in that group had been selected before his number was drawn, in which case he would very possibly be content with one in another group rather than get no land at all. Under the present regulations such an option is not given him.

The disposal of lands under the Land Act requires slightly different treatment from that of lands under the Land for Settlements Act.

In the case of the latter, its usually improved character calls for a very careful and judicious selection of applicants, so as to secure, as far as possible, tenants capable, by their means and experience, of properly farming the lands, and preventing deterioration of either soil or improvements; whereas the ordinary Crown lands offered are almost invariably in their natural state, devoid of improvements, and are very often isolated sections widely scattered. Consequently, they will often bear—in fact, need—a relaxation of the stringent requirements which have to be insisted upon in connection with the selection of applicants for the other class of lands.

It will be seen that my "Proposals," and most of my "Comments," apply in the fullest degree to the disposal of land acquired under the Land for Settlements Acts. However, a very slight investigation of the particulars of the ballot that took place in connection with the disposal of a block of ordinary Crown land near View Hill, details of which have already been given, discloses the necessity for the application of similar proposals, though possibly in a slightly modified form, in the case of blocks of sectionised Crown lands disposed of under the provisions of the Land Act where numerous or conflicting applications are likely to necessitate a ballot.

To meet the somewhat different requirements of this class of land, I would suggest that the Land Board be given power, in the case of all sectionised blocks offered for the first time, where there is reason to anticipate competition, to apply the principle of the prevention of multiplication of an individual applicant's chances at a ballot, in the manner already outlined, as well as the style of ballot itself—*i.e.*, by order of choice.

After the first day, in the event of there being any sections left unselected, they would be open for selection to be applied for as individual sections or allotments, and should more than two persons apply for the same section on the same day a similar test should be applied to ascertain whether there had been an attempt at any unfair multiplication of chances. The method of ballot in these cases would be that the representative of the first number drawn should be declared the successful applicant.

The procedure set out in the last paragraph, strengthened by power being given to the Land Board to closely examine applicants, and others if necessary, so as to investigate cases where there is doubt of the genuineness of the application, coupled with the power to disallow those applications whose *bona fides* has not been proved to the complete satisfaction of the Board, would, I think, be found suitable, on account of its simplicity, to the bulk of the rural Crown lands in the colony yet remaining to be dealt with, for there can be no question that, provided there are reasonable safeguards against unfair competition and other undesirable elements, the less complex and roundabout the process of applying for and securing land the better will it be for all parties concerned.

THOS. HUMPHRIES,
Commissioner of Crown Lands.

Department of Lands and Survey,
District Office, Christchurch, 7th August, 1903.

System of Ballot.

IN continuation of my report of the 21st ultimo, on the present ballot system, &c., the following analysis that I have made of the seven ballots that have taken place in this district since the 1st January, 1902, will not be devoid of interest.

North Canterbury.—Three ballots—Lyndon No. 2, Mead, and View Hill Plains. Total applications at first ballot, 468. Of these, there were from North Canterbury, 459; South Canterbury, 8; North Island, 1: total, 468. The successful applicants at ballot were—North Canterbury, 52; South Canterbury, 2; other land districts, nil.

South Canterbury.—Four ballots—Maytown, Eccleston, part Waikakahi, and Chamberlain. Total applications at first ballot, 368. Of these, there were from South Canterbury, 263; North Canterbury, 95; other land districts (South Island), 8; other land districts (North Island), 2: total, 368. The successful applicants at ballot were—South Canterbury, 36; North Canterbury, 11; Marlborough, 1; Hawke's Bay, 1.

THOS. HUMPHRIES,
Commissioner of Crown Lands.

The Surveyor-General, Wellington.

OTAGO.

REPORT from D. BARRON, Esq., Commissioner of Crown Lands, Otago.

Department of Lands and Survey,
District Office, Dunedin, 14th August, 1903.

The Ballot System.

REFERRING to your circular of the 9th July last, forwarding copy of a memorandum from the Right Hon. the Premier, in which Mr. Seddon asks for suggestions for improving the present system of allotment of Crown lands and lands under the Land for Settlements Act, I have now the honour to submit my reply.

So far as experience in this office goes, there is little or no evidence that wealthy people have taken unfair advantage in applying for land under the present systems. Of course, whether in respect of ordinary Crown lands or lands under the Land for Settlements Act, it has become customary for applicants of all classes and conditions to command as many applications through different members of their families as possible, in order to secure a greater number of chances at the ballot. This practice undoubtedly works in an uneven manner as between large and small families or no families at all, although it may be said, perhaps with some show of reason, that the larger the families the more deserving are they of a larger number of chances. Even then it does not follow as a matter of course that those who obtain the greatest number of chances are always the most successful. Quite a number of instances to the contrary might be adduced.

With regard to deposits under the Land for Settlements Act, where a family require only one section or allotment they can usually arrange without much difficulty for the deposits, knowing that only the successful one will be needed, the others being returned. An undertaking in the case of husband and wife, and sometimes in the case of families, is usually given or demanded that in the event of one being successful the others will stand out. For ordinary Crown lands no deposit is required to be lodged, an agreement on the back of the application to pay if successful being

accepted in lieu of actual cash. For a really eligible selector the question of deposit does not, as it appears to me, involve any great obstacle. Any difficulty there may be, however, in that way could easily be removed by applying the regulations relating to ordinary Crown lands to all applications.

In balloting for sections it cannot be said that the results generally are such as to give satisfaction, for oftentimes the most undesirable, the least likely to be successful settlers, and the least deserving, obtain the allotments. This, it seems to me, is the most objectionable feature of the ballot system.

To provide an equitable and satisfactory remedy is indeed a difficult problem. The auction and tender systems have been tried and found wanting. The former, by the excitement of competition, inducing competitors to bid unworkable prices or rentals; while under the latter the applicants are left in the dark, and, though not labouring under the same kind of excitement of competition, are, by the impulse of the moment and anxiety to obtain the land, also led to tender more than they can reasonably be expected to pay.

The only alternative that occurs to me is the constitution of a competent Board of Review, before whom all applications and applicants in respect of both ordinary Crown lands and lands under the Land for Settlements Act should be examined and passed, such Board to possess discretionary powers to reject or disqualify all applicants considered incompetent or ineligible, or in any way objectionable, whether by reason of (*a*) possessing too little means; (*b*) possessing too much means or being in affluent circumstances; (*c*) already holding sufficient land; (*d*) having insufficient knowledge of farming, &c.; (*e*) other reasons which the Board may deem of such a nature as to justify rejection.

Here I would strongly urge that the Board have power to examine all applicants on oath, and, indeed, that it be made compulsory by law for all applicants for Crown lands to undergo examination on oath as to—

1. Their position financially. It too frequently happens that applicants declare themselves to be possessed of ample means, whereas in fact they have received temporary assistance from loan companies in the shape of donations, which are returned to the companies so soon as the purpose for which the money is required has been served. The Board could make stringent inquiries into matters of this kind, and if the applicant were placed on his (or her) oath the existence of a temporary inflated bank account would be exposed.

2. The amount of land which they already hold, whether freehold, leasehold, or any other tenure of occupancy, and also the amount of land held by the wife or husband of the applicant (as the case might be).

3. Whether, taking the size of the holding into consideration, they have a sufficient knowledge of farming to enable them to work the land to advantage. I personally think it desirable that applicants who have resided in the colony, who know the climatic conditions and the nature of the soil, should have precedence over new arrivals, and it is certainly essential that every applicant should have some knowledge of farming in New Zealand. Here I should like to say that applicants who pass the test, but who are unlucky in several ballots, should have priority accorded them. It must be very disheartening to *bonâ fide* applicants to find time after time that, through the inevitable caprice of fortune at the ballot-box, they are left out in the cold while some more fortunate individual, trying his luck for the first time, secures a section.

I have also to suggest that, if the scheme of a Board of Review be adopted, that the decision of the Board be final, and that there be no right of appeal from that decision.

With regard to the ballot itself, I think the sections should be offered in groups and subdivisions in the same manner as is now done under the Land for Settlements Act, so as to secure as much uniformity as possible in regard to area, rental, &c. If the applications do not exceed the number of the sections or allotments offered, the order of choice to be decided among the approved applicants by ballot—that is to say, instead of balloting the sections or allotments, the applicants in the order drawn to be allowed to choose the section or allotment desired. If the number of applicants exceeds the number of sections or allotments, the Board to reduce the number in its discretion, having regard to the most eligible and desirable and deserving, to the number required, and then ballot for order of choice in the same manner as in the case where the number of applicants does not exceed the number of sections or allotments.

D. Barron,
Commissioner of Crown Lands.

The Surveyor-General, Wellington.

SOUTHLAND.

Report from John Hay, Esq., Commissioner of Crown Lands, Southland.

Department of Lands and Survey,
District Office, Invercargill, 18th August, 1903.

Ballot System.

In reply to your circular of the 9th ultimo *re* the above, I have to say, in balloting under "The Land Act, 1892," in the usual way, it is often found that the most desirable applicants are not successful, and when a whole family, say, of six, are eligible and apply for a section it goes without saying that they have a very great advantage over the single or individual applicant. I would suggest that, in the case of a whole family wishing to acquire a section, only one member of said family be allowed to apply for that section. By this means only one of a family could compete at the ballot, thereby reducing the inequalities now obtaining and placing all applicants on an equal footing.

The regulations for balloting under the Land for Settlements Amendment Act are found also in practice to be very unsatisfactory. Applicants object very much to having to apply for every section in any one group, because it frequently occurs that the result of the ballot saddles them with allotments they do not wish to occupy, as the allotment may be either too small or too large. This deters applicants from applying, more particularly as the regulations state that they have no right to withdraw an application or claim a refund of their deposit. Under these circumstances I would suggest that the applicant be allowed to simply apply for the allotment he desires. Then, in the case of there being more applicants than there are allotments in a group, the second ballot comes in. This appears to work very unsatisfactorily both to the Department and to the applicants, as it may be conceived that in the process the best and most desirable applicants may be balloted out, and when the final ballot comes the allotment may fall to the most undesirable applicant.

A married woman is compelled to apply for all the allotments in any one group, and after going through the whole process of both ballots she may draw an allotment over 320 acres of first-class or over 1,000 acres of second-class land, and then find that she cannot hold the allotment finally allotted to her by ballot. This seems to me another reason why an applicant should not be compelled to apply for all the allotments in a group. I would therefore suggest that the double or second ballot be abolished, and that the applicant be allowed simply to apply for the allotment he or she may desire.

I cannot see how the ballot can be done away with when there is more than one applicant for a section. So far as the mode of ballot is concerned, I do not think that the present system of ballot under "The Land Act, 1892" (Regulations 13/1/'96) can be improved upon, as the opinion that it is perfectly fair has been repeatedly expressed by unsuccessful applicants. I think that there should be but one mode of ballot for all tenures and classes of land, with the following limitations: (1.) Only one member of a family should be allowed to apply for the same section or sections. (2.) Unsuccessful applicants at former ballots, on production of proof of non-success should be given precedence over applicants who had not previously applied for Crown lands.

JOHN HAY,
Commissioner of Crown Lands.

The Surveyor-General, Wellington.

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